In September 2013, the annual rate of inflation was measured at 1.0%. Price changes in the Food category show a 0.8% increase compared to September 2012.

Fats and Oils recorded an increase of 9.4%. The average price of soya oil increased from $10.23 to $11.10. Bakery and Cereal Products recorded an increase of 5.7%. The average price of cream of wheat increased from $8.81 to $9.26. Corn meal increased from $1.80 to $1.92. Also, the average price of spaghetti pasta increased from $3.64 to $3.69.

Alcoholic Drink and Tobacco recorded an increase of 3.7%. Whiskey increased from $40.90 to $43.05, imported beer increased from $4.26 to $4.43 and cigarettes increased from $6.25 to $6.72.

The Fuel and Light index increased by 7.3% over the same period due to an increase in the fuel variation rate from 69 cents in September 2012 to 77 cents September 2013.

Education recorded an increase of 2.8%. The average school fees per term increased from $1224.99 to $1275.

When Food and Energy are removed from the All Item Index, the inflation rate is 0.4% indicating the effects of Food and Energy on the inflation rate.

In September 2013, the annual rate of inflation was measured at 1.0%. Price changes in the Food category show a 0.8% increase compared to September 2012.

Fats and Oils recorded an increase of 9.4%. The average price of soya oil increased from $10.23 to $11.10. Bakery and Cereal Products recorded an increase of 5.7%. The average price of cream of wheat increased from $8.81 to $9.26. Corn meal increased from $1.80 to $1.92. Also, the average price of spaghetti pasta increased from $3.64 to $3.69.

Alcoholic Drink and Tobacco recorded an increase of 3.7%. Whiskey increased from $40.90 to $43.05, imported beer increased from $4.26 to $4.43 and cigarettes increased from $6.25 to $6.72.

The Fuel and Light index increased by 7.3% over the same period due to an increase in the fuel variation rate from 69 cents in September 2012 to 77 cents September 2013.

Education recorded an increase of 2.8%. The average school fees per term increased from $1224.99 to $1275.

When Food and Energy are removed from the All Item Index, the inflation rate is 0.4% indicating the effects of Food and Energy on the inflation rate.

In September 2013, the annual rate of inflation was measured at 1.0%. Price changes in the Food category show a 0.8% increase compared to September 2012.

Fats and Oils recorded an increase of 9.4%. The average price of soya oil increased from $10.23 to $11.10. Bakery and Cereal Products recorded an increase of 5.7%. The average price of cream of wheat increased from $8.81 to $9.26. Corn meal increased from $1.80 to $1.92. Also, the average price of spaghetti pasta increased from $3.64 to $3.69.

Alcoholic Drink and Tobacco recorded an increase of 3.7%. Whiskey increased from $40.90 to $43.05, imported beer increased from $4.26 to $4.43 and cigarettes increased from $6.25 to $6.72.

The Fuel and Light index increased by 7.3% over the same period due to an increase in the fuel variation rate from 69 cents in September 2012 to 77 cents September 2013.

Education recorded an increase of 2.8%. The average school fees per term increased from $1224.99 to $1275.

When Food and Energy are removed from the All Item Index, the inflation rate is 0.4% indicating the effects of Food and Energy on the inflation rate.
What is the Consumer Price Index?

The Consumer Price Index (CPI) is a statistical indicator of changes in the general level of prices of consumer goods and services purchased by private households. The CPI measures price movements of a fixed quantity and quality of goods and services. The mix of these consumer goods and services comprising the CPI are referred to as a “shopping basket.” In constructing this “shopping basket”, the selected goods and services are organised first by commodity type. They are then divided into sections, then sub-groups and then assigned to a major expenditure category. The Antigua and Barbuda CPI has 26 sections, 30 sub-groups and 11 major categories.

What is the Base Period?

The base period (base year) is the time period that is used as a reference point for measuring the price change of goods and services. The base period for the Antigua and Barbuda CPI is January 2001.

The base period index is represented as 100.0. (Usually presented as 2001 = 100). So for instance, if the April 2010 CPI for chicken legs is 167.1, then it means that the price for chicken legs has gone up by 67.1% since 2001. Similarly, if the January 2010 CPI for bread is 93.1, then the price of bread has dropped by 6.9% compared to its price in 2001.

What is Inflation?

Inflation is the process of rising prices, resulting in diminishing purchasing power of a given amount of money. There are three expressions of price changes:
- year-on-year (the inflation rate)
- month-to-month
- annual average (or annualised average)

The annual average CPI is derived by summing the CPI for each month of the year and dividing by 12.

What are Weights?

Weights can be considered in the same way we would express how much we spend on various goods and services each month. Just like a monthly salary can be broken down as 20% on rent, 25% food, 15% mortgage, 10% on utilities and so on, the CPI weights are a collective expression of how households would generally spend their monthly income on goods and services.

The weights for this series of CPI were drawn from a survey of a sample of households in 2001 (the base period). Each household was asked to keep a record of their expenditure for one month. Once completed, the expenditures were added to determine the pattern. This pattern is what is referred to as the weights.

The current weights assume that each month, households would spend the most on Accommodation (214.2) followed by Food (218.3) and Transportation and Communication (153.5). Households would also spend the least on Alcoholic Drink and Tobacco (1.6).

Index Points Contribution

Contribution of each expenditure category (category weight over All Items weight) to the All Items index points change.

<table>
<thead>
<tr>
<th>Main Expenditure Categories</th>
<th>No. of Items</th>
<th>Example of Goods and Services for which prices are collected to calculate the inflation rate</th>
<th>Frequency of price collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>173</td>
<td>Breakfast cereal, milk, coffee, juices, chicken, wine, vegetables, fruits, full-service meals, snacks</td>
<td>Monthly</td>
</tr>
<tr>
<td>Alcoholic Drink and Tobacco</td>
<td>12</td>
<td>Beer, stout, rum, whisky</td>
<td>Monthly</td>
</tr>
<tr>
<td>Clothing and Footwear</td>
<td>65</td>
<td>Men’s pants, boys shorts, women’s dresses, brassieres, underwear, infant’s disposable diapers, watches, rings, bags</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Accommodation</td>
<td>10</td>
<td>Rent paid, repairs and maintenance, property taxes, mortgage payments</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Furnishings, Supplies and Operations</td>
<td>74</td>
<td>Sofas, mattress, kitchen cabinets, dressing table, rugs, linoleum, curtains, glassware; hourly wage rate</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Fuel and Light</td>
<td>2</td>
<td>Electricity, LPG cooking gas</td>
<td>Monthly</td>
</tr>
<tr>
<td>Transportation and Communication</td>
<td>27</td>
<td>Cellular phones, cars, license, gasoline, insurance, driving permit</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Medical Expenses</td>
<td>16</td>
<td>Doctor’s bill, hospital care room rate, medicine</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Education</td>
<td>8</td>
<td>Tuition fees, books, school supplies, exam fees</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Personal Services</td>
<td>10</td>
<td>Hair cut, pedicure, manicure, driving lessons</td>
<td>Quarterly</td>
</tr>
<tr>
<td>Other (Misc)</td>
<td>45</td>
<td>Body lotion, toothpaste, shampoo, carnival costumes, gym membership</td>
<td>Monthly, Quarterly</td>
</tr>
</tbody>
</table>

Table 1: Examples of Goods and Services in the 2001-based Consumer Shopping Basket

The compilation of the CPI and the calculation of the inflation rate involve the processing of hundreds of price quotations. The Statistics Division wishes to acknowledge the cooperation of the business community in supplying the required prices and accommodating the Statistical Officers on their premises. Price collection is authorised by the General Statistics Act, No. 13 of 1975.

2 Outlets refer to the businesses where prices are collected (e.g supermarkets). The same outlets are used for Food, Alcoholic Drink & Tobacco, and some Other (Misc) items.
### Table 2: CPI and Inflation Rate for Main Categories, Sub-groups and Sections

<table>
<thead>
<tr>
<th>Expenditure Category and Sub Groups</th>
<th>Jan 2001 weights</th>
<th>Consumer Price Indices</th>
<th>Year-on-Year % Change</th>
<th>Month-to-Month % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-2013</td>
<td>Aug-2013</td>
<td>Sep-2012</td>
<td></td>
</tr>
<tr>
<td>All Items</td>
<td>1000.00</td>
<td>131.50</td>
<td>130.75</td>
<td>130.25</td>
</tr>
</tbody>
</table>

**FOOD:**

- Bakery & Cereal Products: 199.44
- Bakery: 875.34
- Cereal: 124.66
- Meats: 225.02
- Beef: 59.92
- Pork: 37.71
- Lamb: 36.48
- Mutton: 51.99
- Preserved Meat: 156.39
- Poultry: 316.64
- Fish: 340.85
- Dairy Products: 93.37
- Milk: 614.06
- Cheese: 209.94
- Eggs: 176.00
- Fats & Oils: 33.11
- Butter/Oils: 1000.00
- Fruits & Vegetables: 185.81
- Fruits: 222.14
- Fruit Juices: 170.54
- Vegetables: 498.73
- Starchy Foods: 108.60
- Sugars, Jams, Confectionery: 39.29
- Sugar: 776.23
- Syrups: 92.70
- Jams & Jellies: 17.80
- Candy: 113.27
- Hot Beverages: 15.30
- Foods n.e.s: 147.96
- Condiments & Spices: 230.21
- Miscellaneous Food: 159.46
- Meals Out: 610.33
- Non-Alcoholic Beverages: 60.68

**ALCOHOLIC DRINK & TOBACCO:**

- Alcoholic Beverages: 888.15
- Tobacco: 111.85

**CLOTHING & FOOTWEAR:**

- Clothing: 755.67
- Men’s: 274.10
- Boys’: 70.06
- Women’s: 335.61
- Girls’: 65.87
- Infants’: 33.47
- Accessories & Raw Materials: 220.90
- Footwear: 244.33

**ACCOMMODATION:**

- 218.30

**FURNISHINGS, SUPPLIES & OPERATIONS:**

- Furniture, Fixtures & Floor Coverings: 209.17
- Household Textiles & Furnishings/ Soft Furnishings: 66.19
- Household Utensils: 6.72
- Household Appliances: 263.73
- Services, Household Operations & Goods: 454.19

**FUEL & LIGHT:**

- 61.90

**TRANSPORTATION & COMMUNICATION:**

- 153.50
- Communication Services: 92.78
- Operation of Personal Transportation: 823.48
- Repairs & Maintenance of Personal Transportation: 35.48
- Transport Services: 48.26
- MEDICAL EXPENSES:
  - Private Practitioners: 829.46
  - Pharmaceutical: 170.54
- EDUCATION: 23.40
- PERSONAL SERVICES:
  - 43.00
  - Personal Care: 1000.00
- OTHER (MISCELLANEOUS):
  - 17.90

<table>
<thead>
<tr>
<th></th>
<th>Sep-2013</th>
<th>Sep-2012</th>
<th>Sep-2013</th>
<th>Sep-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Items less Food</td>
<td>126.15</td>
<td>125.60</td>
<td>124.90</td>
<td>1.0</td>
</tr>
<tr>
<td>All Items LESS Energy</td>
<td>128.51</td>
<td>128.06</td>
<td>127.88</td>
<td>0.5</td>
</tr>
<tr>
<td>All Items less Food and Energy</td>
<td>121.65</td>
<td>121.52</td>
<td>121.22</td>
<td>0.4</td>
</tr>
</tbody>
</table>

CPI Sep 2013
Graphical Analysis of the Consumer Price Index

Chart 2: All Items Inflation Rate (%) Trend

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4.7</td>
<td>3.8</td>
<td>3.5</td>
<td>2.6</td>
<td>3.7</td>
<td>4.5</td>
<td>4.5</td>
<td>3.0</td>
<td>3.1</td>
<td>1.9</td>
<td>1.0</td>
<td>0.1</td>
<td>0.8</td>
<td></td>
</tr>
</tbody>
</table>

Featured Expenditure Category

Chart 3: Food Inflation Rate (%) Trend

CPI Sep 2013
Energy includes: Fuel & Light (Electricity, LPG/Cooking Gas) Gasoline at the pump

Chart 4: Year-on-Year Inflation Rate (%) for Special Indices compared to the ALL ITEMS Index for Sep 2012 to Sep 2013

Chart 5: Month-to-Month Changes for ALL ITEMS

Chart 6: Monthly Fuel Variation Rate Trend: Jan 2003 to Sep 2013

Facilitating informed decision-making